September 21, 2004

Ms. Marlene H. Dortch
Secretary
Office of the Secretary
Federal Communications Commission
445 12th Street, S.W.
Washington, D.C. 20554

***Ex parte* Notice**

Re: Appropriate Framework for Broadband Access to the Internet over
      Wireline Facilities; Universal Service Obligations of Broadband
      Providers; Computer III Further Remand Proceedings: Bell
      Operating Company Provision of Enhanced Services; 1998 Biennial
      Regulatory Review – Review of Computer III and ONA Safeguards
      – CC Docket Nos. 02-33, 95-20, 98-10.

Dear Ms. Dortch:

On September 20, 2004, the undersigned and Laurel Kamen, Co-Chair of
the Ad Hoc Telecommunications Users Committee, met with Commissioner
Abernathy and her Senior Legal Advisor Matthew Brill to discuss the white paper
entitled *Competition in Access Markets: Reality or Illusion,* prepared by
Economics and Technology, Inc. and previously filed as an *ex parte* in the above
referenced proceeding on August 26, 2004.

The parties discussed the contents of the white paper, focusing on the
pricing trends, and astonishingly high rates of return earned by incumbent local
exchange carriers ("ILECs"), for special access services and the paper's
conclusion that markets for access services are not competitive. The parties also
discussed two slides, attached hereto, which describe (i) the dramatic upward
pricing trend for ten-mile DS-1s provided by Qwest; and (ii) the relatively small
number of buildings in the City of San Francisco to which competitive local
exchange carriers ("CLECs") can connect using their own facilities compared to
buildings in San Francisco for which CLECs must rely on special access services
obtained from incumbent local exchange carriers.

Pursuant to Section 1.1206(b) of the Commission's Rules, 47 C.F.R. § 1.1206(b), copies of this letter and attachments are being filed with the Office of the Secretary.

Sincerely,

Colleen Boothby

Counsel for
Ad Hoc Telecommunications Users
Committee

Attachments